

PRESS RELEASE

New agricultural loans of Banca Intesa

- Intesa Farmer loans for domestic farmers' investing in working and fixed assets with repayment period of 2 i.e. 10 years, are available in RSD and EUR, with the possibility of flexible repayment in monthly, quarterly or semi annual installments with optional security instruments and fixed or variable interest rates moving around 12%

Belgrade (20 February 2008) – Analyzing the current possibilities and needs of farmers for crediting, and taking into consideration specific periodical features of agricultural production, Banca Intesa designed and offered new Intesa Farmer loans for domestic farmers. Intesa Farmer short and long term loans will be approved under very favourable conditions and adjusted terms of repayment in monthly, quarterly and semi annual installments. With short-term Intesa Farmer Loans, Farmers will be able to invest the necessary funds in the current season, fodder, fattening livestock and current expenses, whereas with support of long-term loans they will be able to finance fixed assets for production by investing in irrigation systems, perennial crops, main livestock unit and construction of agricultural buildings, farms, cold storage facilities silo buildings, greenhouses etc.

Loans are indexed in EUR and RSD and approved in minimal amount of EUR 1,000 with fixed or variable interest rate moving from 12%, with grace period of up to 24 months. Basic condition to be granted a loan is that the applicant owns a registered agricultural enterprise and security instruments are flexible, so the users can decide for one or two guarantors, mortgage or pledge.

Agricultural loans available in Banca Intesa are:

1. **Farmer Obrt Loan** – for financing working assets
2. **Farmer Invest Loan** – for financing fixed assets
3. **Farmer 100%** - loan covered with 100% deposit

Farmer Obrt Loan for financing working assets is approved in RSD or EUR with repayment period of up to 2 years and minimal amount of EUR 1,000 and up to EUR 100,000 with interest rate of 12% (EIR of 13.48%) on annual basis for loans indexed in EUR i.e. 18% (EIR of 20.83%) for loans indexed in RSD. As a special convenience, loans intended for farmers' investing in raw materials, current season, fodder, fattening livestock, maintenance and other current expenses, according to the user's preference, may be repaid in monthly, quarterly and semi annual installments with grace period of up to 12 months.

Example of Farmer Obrt Loan in EUR (EIR of 13.48%)

Amount in EUR	monthly installment in EUR	
	repayment period of 12 months	repayment period of 24 months
10,000	888.37	470.67
25,000	2,220.93	1,176.68
50,000	4,441.86	2,353.37

Example of Farmer Obrt Loan in RSD without FX clause (EIR of 20.83%). Changes in exchange rate and inflation growth do not affect the monthly installment amount.

Amount in RSD	monthly installment in RSD	
	repayment period of 12 months	repayment period of 24 months
1,000,000	91,661.79	49,914.17
2,000,000	183,323.59	99,828.33
4,000,000	366,647.17	199,656.67

Farmer Invest Loan for purchasing fixed assets such as machinery and land, then investment in construction of agricultural buildings, farms, cold storage facilities, silo buildings, greenhouses, irrigation systems, perennial crops and main livestock unit. This loan will be approved in amounts of EUR 5,000 and more, with repayment period of up to 10 years and possibility of grace period of up to 24 months with fixed or variable interest rate moving from 12% annually for loans indexed in EUR and repayment period of up to 3 years i.e. from 18% for loans in RSD with repayment period of up to 2 years. Variable interest rate for loans with repayment period of up to 10 years amounts 6.5% + 3M EURIBOR (EIR of 12.14%)

Example of Farmer Invest loan in EUR (interest 6.5% + 3M Euribor, EIR of 12.14%)

Amount in EUR	monthly installment in EUR		
	repayment period of 36 months	repayment period of 72 months	repayment period of 120 months
25,000	888.37	470.67	342.61
50,000	2,220.93	1,176.68	685.23
100,000	4,441.86	2,353.37	1,370.46

Apart from these two loan models, Banca Intesa is also offering farmers Farmer 100% loan with guarantee deposit of 100% of the loan amount, with repayment period of up to 60

months and fixed interest rate of 4.9% annually (EIR of 5.56%). These loans are approved in the amount of EUR 1,000 and more, with possibility of repayment in monthly, quarterly or semi annual installments and grace period of up to 12 months.

When applying for a loan in Banca Intesa, Farmers need to submit:

- copy of the valid ID document of the applicant
- copy of the decision on registration of agricultural enterprise
- certificate of the paid taxes—original document
- listing from a specific-purpose account with another bank
- copy of the contract on opening a specific-purpose agricultural account in Banca Intesa ad Beograd
- copy of the valid ID document of the spouse
- documentation for co-debtors and movable and immovable loan security